

107TH CONGRESS
1ST SESSION

S. 176

To reform the financing of Federal elections, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 24, 2001

Mrs. HUTCHISON introduced the following bill; which was read twice and referred to the Committee on Rules and Administration

A BILL

To reform the financing of Federal elections, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Campaign Finance Re-
5 form and Disclosure Act of 2001”.

6 **SEC. 2. DEFINITIONS.**

7 Section 301 of the Federal Election Campaign Act
8 of 1971 (2 U.S.C. 431) is amended by adding at the end
9 the following:

10 “(20) ELECTION CYCLE.—The term ‘election
11 cycle’ means—

1 “(A) in the case of a candidate or the can-
 2 didate’s authorized committee, the period begin-
 3 ning on the day after the date of the most re-
 4 cent general election for the specific office or
 5 seat that the candidate seeks and ending on the
 6 date of the next general election for that office
 7 or seat; and

8 “(B) in the case of any other person, the
 9 period beginning on the first day following the
 10 date of the last general election and ending on
 11 the date of the next general election.

12 “(21) SENATE CANDIDATE.—The term ‘Senate
 13 candidate’ means a candidate who seeks nomination
 14 for election, or election, to the Senate.

15 “(22) CAMPAIGN EXPENSE.—The term ‘cam-
 16 paign expense’ means an expense that is attributable
 17 solely to a bona fide campaign purpose.

18 “(23) INHERENTLY PERSONAL PURPOSE.—The
 19 term ‘inherently personal purpose’ means a purpose
 20 that, by its nature, confers a personal benefit on a
 21 candidate, including—

22 “(A) a home mortgage, rent, or utility pay-
 23 ment;

24 “(B) a clothing purchase;

25 “(C) a noncampaign automobile expense;

1 “(D) a country club membership or any
 2 dues, fees, or contribution paid to a health club
 3 or recreational facility;

4 “(E) a vacation or trip of a noncampaign
 5 nature;

6 “(F) the purchase of a household food
 7 item;

8 “(G) a tuition payment;

9 “(H) the payment of an admission to a
 10 sporting event, concert, theater, or other form
 11 of entertainment not associated with a cam-
 12 paign; and

13 “(I) any other inherently personal living
 14 expense as determined under a regulation
 15 issued under section 326.”.

16 **SEC. 3. PROHIBITION OF CONTRIBUTIONS TO FEDERAL**
 17 **CANDIDATES BY NONCITIZENS.**

18 Section 319(b)(2) of the Federal Election Campaign
 19 Act of 1971 (2 U.S.C. 441e(b)(2)) is amended by striking
 20 “and who is not lawfully admitted for permanent resi-
 21 dence, as defined by section 101(a)(20) of the Immigra-
 22 tion and Nationality Act (8 U.S.C. 1101(a)(20))”.

1 **SEC. 4. LIMITATION ON ACCEPTANCE OF OUT-OF-STATE**
 2 **CONTRIBUTIONS BY SENATE CANDIDATES.**

3 Title III of the Federal Election Campaign Act of
 4 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
 5 end the following:

6 **“SEC. 324. LIMITATION ON ACCEPTANCE OF OUT-OF-STATE**
 7 **CONTRIBUTIONS BY SENATE CANDIDATES.**

8 “(a) IN GENERAL.—A Senate candidate and the can-
 9 didate’s authorized committee shall not accept, during an
 10 election cycle, contributions from persons other than indi-
 11 viduals residing in the candidate’s State in an amount ex-
 12 ceeding 40 percent of the total amount of contributions
 13 accepted during the election cycle.

14 (b) A House candidate and the candidate’s author-
 15 ized committee shall not accept, during an election cycle,
 16 contributions from persons other than individuals residing
 17 in the candidate’s Congressional District in an amount ex-
 18 ceeding 40 percent of the total amount of contributions
 19 accepted during the election cycle.

20 “(c) TIME TO MEET REQUIREMENT.—A candidate
 21 shall meet the requirement of subsection (a) on the date
 22 for filing the post-general election report under section
 23 304(a)(2)(A)(ii).”.

1 **SEC. 5. LIMITATION ON REIMBURSEMENT FROM CAM-**
 2 **PAIGNS FOR CONTRIBUTIONS BY SENATE**
 3 **CANDIDATES AND IMMEDIATE FAMILIES OF**
 4 **SENATE CANDIDATES.**

5 Title III of the Federal Election Campaign Act of
 6 1971 (2 U.S.C. 431 et seq.) (as amended by section 4)
 7 is amended by adding at the end the following:

8 **“SEC. 325. LIMITATION ON REIMBURSEMENT FROM CAM-**
 9 **PAIGNS FOR CONTRIBUTIONS BY SENATE**
 10 **CANDIDATES AND IMMEDIATE FAMILIES OF**
 11 **SENATE CANDIDATES.**

12 “(a) IN GENERAL.—The aggregate amount of con-
 13 tributions made during an election cycle to an eligible Sen-
 14 ate candidate or the candidate’s authorized committees
 15 from the sources described in subsection (b) that may be
 16 reimbursed to those sources shall not exceed \$250,000.

17 “(b) SOURCES.—A source is described in this sub-
 18 section if the source is—

19 “(1) personal funds of the candidate and mem-
 20 bers of the candidate’s immediate family; or

21 “(2) personal loans incurred by the candidate
 22 and members of the candidate’s immediate family.

23 “(c) INDEXING.—The \$250,000 amount under sub-
 24 section (a) shall be increased as of the beginning of each
 25 calendar year based on the increase in the price index de-

1 terminated under section 315(c), except that the base period
 2 shall be calendar year 2000.”.

3 **SEC. 6. RESTRICTION ON USE OF CAMPAIGN FUNDS BY**
 4 **SENATE CANDIDATES FOR PERSONAL PUR-**
 5 **POSES.**

6 (a) RESTRICTION.—Title III of the Federal Election
 7 Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended
 8 by section 5) is amended by adding at the end the fol-
 9 lowing:

10 **“SEC. 326. RESTRICTION ON USE OF CAMPAIGN FUNDS BY**
 11 **SENATE CANDIDATES FOR PERSONAL PUR-**
 12 **POSES.**

13 “(a) RESTRICTION.—Notwithstanding section 313, a
 14 Senate candidate who accepts a contribution—

15 “(1) shall use the contribution only to pay a le-
 16 gitimate and verifiable campaign or politically re-
 17 lated expense; and

18 “(2) shall not use the contribution for any in-
 19 herently personal purpose.

20 “(b) REGULATION.—Not later than 90 days after the
 21 date of enactment of this section, the Commission shall
 22 issue a regulation implementing subsection (a).”.

23 (b) APPLICATION OF AMENDMENT.—The amendment
 24 made by subsection (a) shall apply to all contributions pos-

1 sessed by a candidate on or after the date of enactment
2 of this Act.

3 **SEC. 7. LIMIT ON CONGRESSIONAL USE OF THE FRANKING**
4 **PRIVILEGE.**

5 Section 3210(a)(6)(A) of title 39, United States
6 Code, is amended to read as follows:

7 “(A) A Member of Congress shall not mail
8 any mass mailing as franked mail during a year
9 in which there will be an election for the seat
10 held by the Member during the period between
11 January 1 of that year and the date of the gen-
12 eral election for that Office, unless the Member
13 has made a public announcement that the
14 Member will not be a candidate for election to
15 any Federal office in that year (including the
16 office held by the Member).”.

17 **SEC. 8. MODIFICATION OF CANDIDATE CONTRIBUTION LIM-**
18 **ITS; INDEXING OF LIMITS.**

19 Section 315(a) of the Federal Election Campaign Act
20 of 1971 (2 U.S.C. 441a(a)) is amended—

- 21 (1) in paragraph (1)(A), by striking “\$1,000”
22 and inserting “\$3,000”;
23 (2) in paragraph (2)(A), by striking “\$5,000”
24 and inserting “\$3,000”; and
25 (3) by adding at the end the following:

1 “(9) INDEXING.—The \$3,000 amounts under
 2 paragraphs (1)(A) and (2)(A) shall be increased as
 3 of the beginning of each calendar year based on the
 4 increase in the price index determined under sub-
 5 section (c), except that the base period shall be cal-
 6 endar year 2000.”.

7 **SEC. 9. RESTRICTION ON ACCEPTANCE OF CONTRIBUTIONS**
 8 **BY POLITICAL PARTY COMMITTEES.**

9 Title III of the Federal Election Campaign Act of
 10 1971 (2 U.S.C. 431 et seq.) (as amended by section 6)
 11 is amended by adding at the end the following:

12 **“SEC. 327. RESTRICTION ON ACCEPTANCE OF CONTRIBU-**
 13 **TIONS BY POLITICAL PARTY COMMITTEES.**

14 “It shall be unlawful for a committee of a political
 15 party to accept a contribution on the condition that the
 16 contribution be used to make a contribution to or an ex-
 17 penditure on behalf of a particular candidate.”.

18 **SEC. 10. UNLIMITED COMMUNICATIONS BETWEEN A POLIT-**
 19 **ICAL PARTY AND MEMBERS OF THE POLIT-**
 20 **ICAL PARTY.**

21 Section 315(d) of the Federal Election Campaign Act
 22 of 1971 (2 U.S.C. 441a(d)) is amended by adding at the
 23 end the following:

24 “(4)(A) For purposes of applying the limitations
 25 under paragraphs (2) and (3), in determining the amount

1 of expenditures made by a national committee of a polit-
 2 ical party or a State committee of a political party (includ-
 3 ing any subordinate committee of a State committee),
 4 there shall be excluded any amount spent by the com-
 5 mittee for communications to the extent the communica-
 6 tions are made to members of the political party.

7 “(B) For purposes of subparagraph (A), an indi-
 8 vidual shall be considered to be a ‘member’ of a political
 9 party if—

10 “(i) the individual is registered to vote as a
 11 member of the party;

12 “(ii) there is a public record that the individual
 13 voted in the primary election of the political party in
 14 the most recent primary election; or

15 “(iii) the individual has indicated in writing
 16 that the individual is a member of the political
 17 party.”.

18 **SEC. 11. PROMOTION OF STATE AND LOCAL PARTY ACTIV-**
 19 **ITY.**

20 (a) CONTRIBUTIONS.—Section 301(8)(B) of the Fed-
 21 eral Election Campaign Act of 1971 (2 U.S.C. 431(8)(B))
 22 is amended—

23 (1) in clause (xiv) by striking “and” at the end;

24 (2) in clause (xv) by striking the period at the
 25 end and inserting “; and”; and

1 (3) by adding at the end the following:

2 “(xvi) the payment by a State or local com-
3 mittee of a political party for—

4 “(I) the listing of the slate of the political
5 party’s candidates, including the communication
6 of the slate to the public;

7 “(II) the mailing of materials for or on be-
8 half of specific candidates by volunteers (includ-
9 ing labeling envelopes or affixing postage or
10 other indicia to particular pieces of mail), other
11 than the mailing of materials to a commercial
12 list;

13 “(III) conducting a telephone bank for or
14 on behalf of specific candidates staffed by vol-
15 unteers; or

16 “(IV) the distribution of collateral mate-
17 rials (such as pins, bumper stickers, handbills,
18 brochures, posters, party tabloids, and yard
19 signs) for or on behalf of specific candidates
20 (whether by volunteers or otherwise).”.

21 (b) EXPENDITURES.—Section 301(9)(B) of the Fed-
22 eral Election Campaign Act of 1971 (2 U.S.C. 431(9)(B))
23 is amended—

24 (1) in clause (ix) by striking “and” at the end;

1 (2) in clause (x) by striking the period at the
2 end and inserting “; and”; and

3 (3) by adding at the end the following:

4 “(xi) the payment by a State or local committee
5 of a political party for—

6 “(I) the listing of the slate of the political
7 party’s candidates, including the communication
8 of the slate to the public;

9 “(II) the mailing of materials for or on be-
10 half of specific candidates by volunteers (includ-
11 ing labeling envelopes or affixing postage or
12 other indicia to particular pieces of mail), other
13 than the mailing of materials to a commercial
14 list;

15 “(III) conducting a telephone bank for or
16 on behalf of specific candidates staffed by vol-
17 unteers; or

18 “(IV) the distribution of collateral mate-
19 rials (such as pins, bumper stickers, handbills,
20 brochures, posters, party tabloids, and yard
21 signs) for or on behalf of specific candidates
22 (whether by volunteers or otherwise).”.

23 (c) CONFORMING AMENDMENTS.—

24 (1) Section 301(8)(B)(x) of the Federal Elec-
25 tion Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x))

1 is amended by striking “in connection with volunteer
 2 activities on behalf of nominees of such party” and
 3 inserting “in connection with State or local activi-
 4 ties, other than any payment described in clause
 5 (xvi)”.

6 (2) Section 301(9)(B)(viii) of the Federal Elec-
 7 tion Campaign Act of 1971 (2 U.S.C.
 8 431(9)(B)(viii)) is amended by striking “in connec-
 9 tion with volunteer activities on behalf of nominees
 10 of such party” and inserting “in connection with
 11 State or local activities, other than any payment de-
 12 scribed in clause (xi)”.

13 **SEC. 12. RIGHTS OF EMPLOYEES RELATING TO THE PAY-**
 14 **MENT AND USE OF LABOR ORGANIZATION**
 15 **DUES.**

16 (a) PAYMENT OF DUES.—

17 (1) RIGHTS OF EMPLOYEES.—Section 7 of the
 18 National Labor Relations Act (29 U.S.C. 157) is
 19 amended by striking “membership” and all that fol-
 20 lows and inserting the following: “the payment to a
 21 labor organization of dues or fees related to collec-
 22 tive bargaining, contract administration, or griev-
 23 ance adjustment necessary to performing the duties
 24 of exclusive representation as a condition of employ-
 25 ment as authorized in section 8(a)(3).”.

1 (2) UNFAIR LABOR PRACTICES.—Section
2 8(a)(3) of the National Labor Relations Act (29
3 U.S.C. 158(a)(3)) is amended by striking “member-
4 ship therein” and inserting “the payment to such
5 labor organization of dues or fees related to collec-
6 tive bargaining, contract administration, or griev-
7 ance adjustment necessary to performing the duties
8 of exclusive representation”.

9 (b) REQUIREMENTS FOR USE OF DUES FOR CERTAIN
10 PURPOSES.—

11 (1) WRITTEN AGREEMENT.—Section 8 of the
12 National Labor Relations Act (29 U.S.C. 158) is
13 amended by adding at the end the following:

14 “(h)(1) An employee subject to an agreement between
15 an employer and a labor organization requiring the pay-
16 ment of dues or fees to such organization as authorized
17 in subsection (a)(3) may not be required to pay to such
18 organization, nor may such organization accept payment
19 of, any dues or fees not related to collective bargaining,
20 contract administration, or grievance adjustment nec-
21 essary to performing the duties of exclusive representation
22 unless the employee has agreed to pay such dues or fees
23 in a signed written agreement that shall be renewed be-
24 tween the first day of September and the first day of Octo-
25 ber of each year.

1 “(2) Such signed written agreement shall include a
 2 ratio, certified by an independent auditor, of the dues or
 3 fees related to collective bargaining, contract administra-
 4 tion, or grievance adjustment necessary to performing the
 5 duties of exclusive representation and the dues or fees re-
 6 lated to other purposes.”.

7 (2) WRITTEN ASSIGNMENT.—Section 302(c)(4)
 8 of the Labor Management Relations Act, 1947 (29
 9 U.S.C. 186) is amended by inserting before the
 10 semicolon the following: “: *Provided further*, That no
 11 amount may be deducted for dues unrelated to col-
 12 lective bargaining, contract administration, or griev-
 13 ance adjustment necessary to performing the duties
 14 of exclusive representation unless a written assign-
 15 ment authorizes such a deduction”.

16 (c) NOTICE TO EMPLOYEES RELATING TO THE PAY-
 17 MENT AND USE OF DUES.—Section 8 of the National
 18 Labor Relations Act (29 U.S.C. 158) (as amended by sub-
 19 section (b)(1)) is amended by adding at the end the fol-
 20 lowing:

21 “(i)(1) An employer shall post a notice that informs
 22 the employees of their rights under section 7 of this Act
 23 and clarifies to such employees that an agreement requir-
 24 ing the payment of dues or fees to a labor organization
 25 as a condition of employment as authorized in subsection

1 (a)(3) may only require that employees pay to such organi-
 2 zation any dues or fees related to collective bargaining,
 3 contract administration, or grievance adjustment nec-
 4 essary to performing the duties of exclusive representa-
 5 tion. A copy of such notice shall be provided to each em-
 6 ployee not later than 10 days after the first day of employ-
 7 ment.

8 “(2) The notice described in paragraph (1) shall be
 9 of such size and in such form as the Board shall prescribe
 10 and shall be posted in conspicuous places in and about
 11 the plants and offices of such employer, including all
 12 places where notices to employees are customarily post-
 13 ed.”.

14 (d) EMPLOYEE PARTICIPATION IN THE AFFAIRS OF
 15 A LABOR ORGANIZATION.—Section 8(b)(1) of the Na-
 16 tional Labor Relations Act (29 U.S.C. 158(b)(1)) is
 17 amended by striking “therein;” and inserting the fol-
 18 lowing: “therein, except that, an employee who is subject
 19 to an agreement between an employer and a labor organi-
 20 zation requiring as a condition of employment the pay-
 21 ment of dues or fees to such organization as authorized
 22 in subsection (a)(3) and who pays such dues or fees shall
 23 have the same right to participate in the affairs of the
 24 organization related to collective bargaining, contract ad-

1 ministration, or grievance adjustment as any member of
2 the organization;”.

3 (e) DISCLOSURE TO EMPLOYEES.—

4 (1) EXPENSES REPORTING.—Section 201(b) of
5 the Labor-Management Reporting and Disclosure
6 Act of 1959 (29 U.S.C. 431(b)) is amended by add-
7 ing at the end the following: “Every labor organiza-
8 tion shall be required to attribute and report ex-
9 penses by function classification in such detail as
10 necessary to allow the members of such organization
11 or the employees required to pay any dues or fees
12 to such organization to determine whether such ex-
13 penses were related to collective bargaining, contract
14 administration, or grievance adjustment necessary to
15 performing the duties of exclusive representation or
16 were related to other purposes.”.

17 (2) REPORT INFORMATION.—Section 201(c) of
18 the Labor-Management Reporting and Disclosure
19 Act of 1959 (29 U.S.C. 431(c)) is amended—

20 (A) by inserting “and employees required
21 to pay any dues or fees to such organization”
22 after “members”;

23 (B) by striking “suit of any member of
24 such organization” and inserting “suit of any
25 member of such organization or employee re-

1 quired to pay any dues or fees to such organiza-
2 tion”; and

3 (C) by striking “such member” and insert-
4 ing “such member or employee”.

5 (3) REGULATIONS.—The Secretary of Labor
6 shall prescribe such regulations as are necessary to
7 carry out the amendments made by this subsection
8 not later than 120 days after the date of enactment
9 of this Act.

10 (f) EFFECTIVE DATES.—

11 (1) IN GENERAL.—Except as provided in para-
12 graph (2), this section and the amendments made by
13 this section shall take effect on the date of enact-
14 ment of this Act.

15 (2) The amendments made by subsections (b)
16 and (c) shall take effect 60 days after the date of
17 enactment of this Act.

18 **SEC. 13. EXPEDITED JUDICIAL REVIEW.**

19 (a) CIVIL ACTION.—The Federal Election Commis-
20 sion, a political committee under title III of the Federal
21 Election Campaign Act of 1971, or any individual eligible
22 to vote in any election for the office of President of the
23 United States may bring a civil action in United States
24 district court to determine the constitutionality of any pro-
25 vision of this Act or any amendment made by this Act.

1 (b) HEARING BY 3-JUDGE COURT.—Immediately
2 upon commencement of a civil action under subsection (a),
3 a district court of 3 judges shall be convened to decide
4 the action pursuant to section 2284 of title 28, United
5 States Code.

6 (c) DIRECT APPEAL TO SUPREME COURT.—An ap-
7 peal of an interlocutory order or final judgment, decree,
8 or order in a civil action under subsection (a) may be
9 taken directly to the Supreme Court not later than 20
10 days after the entry of the judgment, decree, or order.

11 (d) EXPEDITED REVIEW BY SUPREME COURT.—The
12 Supreme Court shall accept jurisdiction over, advance on
13 the docket, and expedite to the greatest extent possible
14 an appeal under subsection (c).

